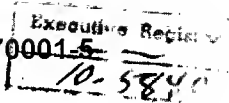


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24 July 1954

MEMORANDUM FOR: 

Secretary, Intelligence Advisory Committee

SUBJECT:

Proposal to Expand Terms of Reference of  
IAC Committee

1. Recently there have been a number of proposals emanating from various sources, all of which contemplate exchanging certain equipment with the Soviets or simply giving equipment to them. One of these--involving a Munn-Baker Precision Satellite Tracking Camera--went directly to the OCB from Dr. Waterman of the National Science Foundation. At least three others--involving exchange of rockets, telemetry, and other equipment--have been considered at various points around the Government but without any definitive conclusions. There are continuing efforts to bring these also to the attention of the OCB, with the apparent hope that that body could solve the problem itself.

2. In actual fact, the OCB is not set up to give proper consideration to proposals of this kind without their having had adequate consideration elsewhere. The justification for asking the OCB to take these matters up is usually that there is a question of political or psychological gain to the U. S. involved in such an exchange or transfer. However, as in the case of the tracking camera, when the proposal comes directly to the Board, it is necessary for the individual agencies and departments to do a lot of last minute, and perhaps somewhat superficial, pulling together of objections to the proposal. Without these, it is impossible to make any sort of valid conclusions on political or any other grounds. On the other hand, there appears to be a gap in the Executive mechanisms for handling this sort of problem. The IAC ad hoc Committee on Exchanges does seem to be an efficient forum for considering at least part of the pros and cons involved in exchanges of persons with the Soviets. There is no comparable mechanism for hardware. Accordingly,  of OSI suggested that the terms of reference of the above-mentioned

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IAC Committee might be expanded to include material as well as people. It is recognized that the IAC Committee deals with intelligence gain or loss and with technological gain that the Soviets might get. I understand that it is not set up to give first-hand attention to the consideration of technological loss to U.S., but I gather that this aspect could be contributed by Defense by not too much bureaucratic adjustment. In connection with OCB's discussion of the tracking camera yesterday, the factors outlined above were discussed with the DCI and DDCI, both of whom were prepared to make the suggestion at the Board Meeting as a constructive step toward facilitating consideration of these matters by either the Board or the Department of Commerce, or any other appropriate body. As it turned out, Mr. Gerard Smith, sitting for the State Department, made an identical suggestion and Gen. Cabell concurred that it should be explored. (I had passed the idea to my counterparts in State and Defense and it was obviously through this channel that it got to Smith.)

3. Gen. Cabell has now asked that you arrange to have the matter discussed at an early meeting of IAC. Should the terms of reference of the Exchange Committee be expanded to include material, that would seem to be the proper place for consideration of three proposals by the U.S. IGY Committee for exchange of rockets and earth satellites between the U.S. and the USSR. I have a Top Secret Memorandum from OSI giving their views on these proposed exchanges and will be glad to forward it to you.

[Redacted]  
**THOMAS A. PARROTT**  
 Operations Coordinating Board Asst Dir

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JUN 11 1980  
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